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DIRECTORATE OF INTELLIGENCE

# Central Intelligence Bulletin

**Secret**51
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Vietnam: North Vietnam's delegation to China's national day celebrations is moving on to Eastern Europe, presumably to spread the word about the policies of the post-Ho leadership and to garner additional political and material support.

Hanoi radio has announced that Premier Pham Van Dong and his delegation have left Peking to attend East Germany's national day festivities. The delegation includes Hanoi's top foreign aid figure, who just wrapped up a new aid agreement with the Chinese. Similar negotiations are likely to be held with several East European countries and the USSR during the current trip.

Soviet Party First Secretary Brezhnev and many ranking East European party leaders will be in East Germany for the celebrations. After the unusually warm reception the North Vietnamese received in Peking, Hanoi probably welcomes the chance for a similar outpouring of unity and support from the European Communists. This would help North Vietnam maintain its middle ground in the Sino-Soviet conflict and give added weight to the regime's efforts to carry on without Ho Chi Minh.

The fact that Pham Van Dong, who clearly remains one of the top men in the new leadership, will remain out of the country for more than a few days, strongly suggests that the North Vietnamese are not now bogged down in a crisis of indecision and disagreement.

In South Vietnam, military activity on 3 October remained quite light.

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USSR-Iraq: Moscow has started implementing its July agreement to provide assistance for Iraqi exploitation of the North Rumaila oilfield.

Seven Soviet experts arrived on 1 October to begin survey work, and more experts are to join them in a few days. The survey is expected to take about four months. Soviet assistance is being provided under a \$67-million credit that will be repaid by Iraq in oil valued at open market prices.

The USSR also signed an agreement last June to provide the Iraqi National Oil Company with \$72-million worth of equipment and technical aid for developing for itself the al-Halfayah area in southern Iraq. Two initial contracts, one covering \$9.5 million worth of Soviet equipment and the other for the supply of Soviet experts, already have been signed. Repayment of this agreement is to be made in accordance with the Iraqi-Soviet trade agreement of 1958, which provides for periodic settlement of accounts in convertible currencies.

tally, to acquire some Middle East oil. In addition, they will help Iraq to gain experience in oilfield operations and to develop areas formerly held by the			
Western-owned Frag Petroleum Company.			

These agreements will offer the USSR an opportunity to expand its influence in Iraq and, inciden-

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European Community: The Commission has reacted sharply to West Germany's efforts to protect its farmers from the impact of the decision to let the value of the mark float.

Following that decision, Bonn asked Commission approval of a 5.5 percent tax on agricultural imports. The Commission rejected this request, however, and instead authorized Germany to suspend certain agricultural imports until the exchange rate of the mark is fixed. Bonn nevertheless reportedly plans to go ahead with the tax, and a German spokesman suggested that the Commission had made a "strange" decision that went beyond its competence. The Community's Council of Ministers will meet on 6 October to consider the problem.

Aside from the complex technical questions raised, the dispute has become an important test of the Commission's powers to monitor Community policies. Germany plans to appeal the Commission's decision to the Community Court of Justice, and hopes the court will rule against the Commission before the 6 October meeting. If this should occur, the Commission's influence would suffer.

Whatever adjustments are eventually made in the application of the Common Agricultural Policy to Germany, it is clear that the program is in greater difficulty than ever. The recent French devaluation resulted in that country's virtual isolation from the common agricultural market for a two-year period.

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#### NOTES

USSR-Lebanon: Both Moscow and Beirut are trying to limit diplomatic damage caused by the arrest of two Soviet nationals on 30 September for allegedly conspiring to steal a Lebanese Air Force jet. In the face of Soviet hints of diplomatic retaliation, Beirut reportedly has agreed to expel the two Russians, one of them a high-ranking diplomat, without formally declaring each of them persona non grata. Lebanon has also clamped a tight lid on publicity surrounding the "Mirage affair." The incident, although undoubtedly embarrassing for Moscow, is unlikely to have any long-lasting effect on its relations with any of the Arab countries, including Lebanon.

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Venezuela-USSR: Three leaders of Soviet petrochemical unions are to visit Venezuela next week. The purpose of the visit is to "establish close relations" with Venezuelan unions in the industry and to visit oil installations. The Venezuelan Petroleum Workers! Federation earlier this year turned down an invitation to send three representatives to the USSR on an all-expense-paid visit. Subsequently, the Soviets asked the federation to facilitate visits to Venezuela for the three Soviet leaders. gation was in Bogota this week. Venezuela is currently carrying out negotiations with the USSR for the establishment of diplomatic relations. matic, trade, and cultural visitors from the USSR and Eastern Europe are frequent, but labor delegations are rare.

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Chile: President Frei may replace Defense
Minister Marambio, a retired army general, with a
civilian in an effort to alleviate growing unrest in
the Chilean armed forces. Marambio has not had close
ties with active duty officers for a long time, and
does not have the respect of the services he heads.
The appointment of a civilian to the defense post
would be a reversion to normal practice, but would
not ensure solution of the economic problems that
are causing the unrest.

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Council of Europe - Greece: Opponents of the Greek Government are keeping up their pressure for Greek expulsion from the Council of Europe. The Consultative Assembly of the Council this week passed a recommendation that the Committee of Ministers "take account of new instances of disregard for the rule of law and democracy" in Greece. Most of the speakers on the recommendation made strong statements against the Greek regime and urged the Committee of Ministers to expel Greece from the Council. The Committee, when it meets in December, will find it difficult to avoid a decision on the issue.

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it difficult to avoid a decision on the issue.

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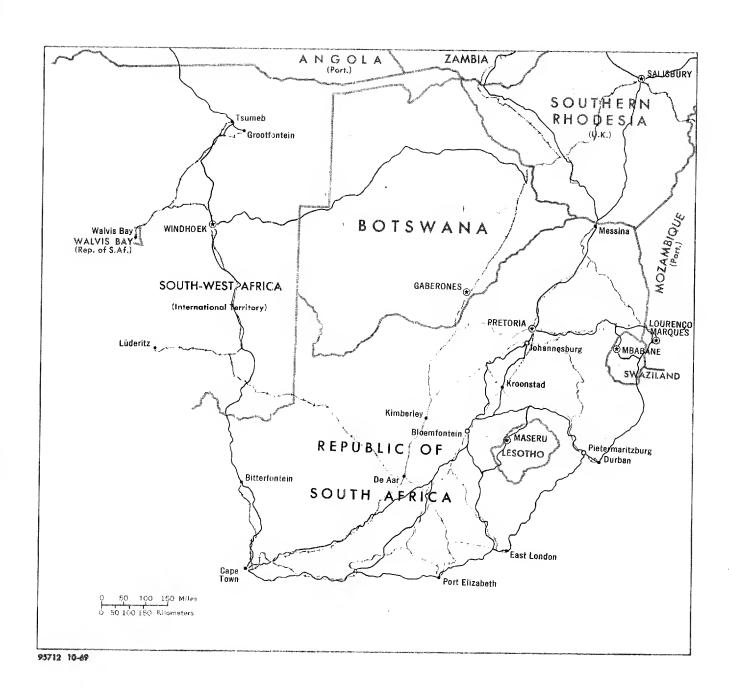
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UN - South Africa: [Today is the deadline for South African compliance with the South-West Africa resolution adopted by the Security Council in August. The resolution called on Pretoria to withdraw its administration from the territory and requested that all states increase their moral and material assistance to the indigenous people there in the "struggle against foreign occupation." The Afro-Asian members of the Security Council are expected to press for an early meeting at which they may seek mandatory trade sanctions against South Africa. Pretoria will not pull out, and the UK probably would veto mandatory sanctions if this became necessary. If the Council is stymied, the Afro-Asians will undoubtedly pursue the matter in the General Assembly

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